IN THE HIGH COURT OF JUDICATURE AT BOMBAY
O.O.C.J.

COMPANY PETITION No. 390 of 2006

CONNECTED WITH

COMPANY APPLICATION No.532 of 2006.

Acute Investments P**vt.Ltd.** ..Petitioner.
[Transferor Company]

WITH

COMPANY PETITION No.391 of 2006

CONNECTED WITH

COMPANY APPLICATION No. 533 of 2006.

Indian Seamless Enterprises
Limited. ...Petitioner.
[Transferee Company]

Mr.Rajesh Shah for the Petitioner.

Ms. K.V. Gautam, Ag. OL only in CP No.390/06

Mr. C.J. Joy with RC Master and
with M.M. Goswami i/b. S.S. Sarkar, for
R.D.

CORAM : S.C.DHARMADHIKARI,J.

DATE : 4th August, 2006.

P.C.:-

l] Heard Mr. Rajesh Shah appearing for the Petitioner. Perused the petition and the annexures thereto.

2] These Petitions seek sanction to a scheme of arrangement between the Petitioner (The Transferor Company) and the Transferee Company.

3] From a perusal of these Petitions, it is clear that the Petitioner has complied with all requirements stipulated in law. All necessary and relevant disclosures have been made including that of the latest financial position. The petitioner has also given necessary undertakings and it is pointed out that the Scheme is for the purposes of facilitating the operations and would benefit the concerned parties. A copy of the scheme is annexed to the petition. All salient features have been set out.

4] The Petitioners have issued notices to the concerned parties.

5] The Regional Director has filed an affidavit and has relied upon the report of the Registrar of Companies and also replies furnished by the Petitioners to the queries raised by him.

6] After examining the Scheme and relying upon the reports, the Regional Director has certified that the Scheme is not prejudicial to the interest of the shareholders, creditors and public interest.

7] The Official Liquidator has filed a report and relied upon the findings of the Chartered Accountant duly appointed for scrutiny of the records

and books of accounts. The books of Accounts for the required period (five years) have been duly scrutinized and the Chartered Accountants have certified that the affairs of the Transferor Company have not been carried out in a manner prejudicial to the interest of the Members and Creditors, so also the public interest.

8] The Official Liquidator has filed a supplementary report and pointed out that the word "Auditor" has inadvertently appeared in the earlier report. The appointment of the Chartered Accountants has been made in the light of the statutory provisions and more particularly the second proviso to Section 394 (1). Thus, the appointment of the Chartered Accountant is for scrutiny of the Books of Accounts and related papers of the company and it is true that there are no directions for carrying out audit thereof.

9] For the reasons recorded above and relying upon the findings of the Statutory Authorities, I see no reason to reject these petitions. Accordingly, Company Petition No.390/06 is accordingly made absolute in terms of prayer clause (a) to (j), and Company Petition No.391/06 is made absolute in terms of prayer clause (a) to(l),subject to payment of costs to Regional Director and Official Liquidator, quantified at Rs.2,500/- each in respective Company

Petitions.

10] All concerned parties including concerned Registrar of Companies to act on the ordinary copy of the order and scheme annexed to the petition, authenticated by the Company Registrar, High Court, Bombay.

11] Filing and issuance of drawn up order is dispensed with.

(S.C.DHARMADHIKARI,J.)